



UNITED STATES MARINE CORPS
MARINE CORPS RECRUIT DEPOT/WESTERN RECRUITING REGION
SAN DIEGO, CALIFORNIA 92140

DepO 5760.2A
1E:MAW
1 Mar 1989

DEPOT ORDER 5760.2A

From: Commanding General
To: Distribution List

Subj: Private Organizations Operating Aboard the Marine Corps Recruit Depot,
(MCRD), San Diego

Ref: (a) MCO 5760.4B (NOTAL)
(b) MCO P1710.17C, Chapter 6 (NOTAL)
(c) MCO P11000.14 (NOTAL)
(d) DepO P1710.49A
(e) NAVCOMPTMAN, Vol 7 (NOTAL)

Encl: (1) Classification System for Private Organizations by Type and Sub-Type

1. Purpose. To provide guidance and establish policies for private organizations operating aboard the MCRD, San Diego.

✓ 2. Cancellation. DepO 5760.2.

3. Background. Reference (a) provides the policy and implementing instructions for the operation of private organizations on Department of Defense (DoD) installations. Private organizations may be authorized to conduct their activities aboard MCRD subject to references (a) through (e).

4. Applicability

a. This Order applies to private organizations authorized to operate on the Depot and not otherwise excluded.

b. The policy guidance provided is not intended to supplant or abrogate any specific agreements between the U.S. Marine Corps and federally sanctioned or affiliated types of private organizations.

5. Definitions and Explanation of Terms

a. DoD Family. Military personnel to include retired members and those of reserve components, dependents of the foregoing, and authorized civilians as determined by the Commandant of the Marine Corps (CMC).

b. Private Organizations. A generally self-sustaining, non-federal entity, incorporated or not, and constituted or established and operated on MCRD with the written consent of the Commanding General or higher authority, by individuals acting exclusively outside the scope of any official capacity as officers, employees, or agents of the federal government. Private organizations are not entitled to sovereign immunities and privileges accorded to nonappropriated fund instrumentalities (NAFI's).

c. Type 1 Federally Sanctioned Private Organizations. Type 1 private organizations conduct service-type operations and are recognized in accordance with specific DoD authority or by special authority granted at Headquarters Marine Corps level. Credit unions, banking institutions, the American National Red Cross, and the United Service Organizations (USO), Inc., operating on DoD installations, are classified as Type 1 private organizations and are otherwise exempt from the provisions of this Order. All other Type 1 private organizations are subject to the provisions of this Order. (Examples of federally sanctioned private organizations are provided in the enclosure.)

d. Type 2 Affiliated Private Organizations. Type 2 private organizations are authorized to operate on MCRD upon the written approval of the Commanding General and are operated as local affiliations of chapters, lodges (fraternal or benevolent organizations), posts (veterans' organizations), or elements of national or state chartered organizations of the private sector. Type 2 private organizations engage

in activities of special interest to a voluntary membership or group of participants. (Examples of affiliated private organizations are provided in the enclosure.)

e. Type 3 Independent Private Organizations. Independent private organizations are organized, established, operated, and controlled locally by common interest groups conducting specific activities that fulfill certain accepted needs or wants of some members of the DoD family. Local initiative is exercised in securing written permission from the Commanding General for their operation on the Depot. Type 3 independent private organizations have no formal connection or affiliation with an organization outside the Depot. (Examples of these independent private organizations are shown in the enclosure.)

f. Sub-Type of Private Organizations. For classification purposes, this is a relatively homogeneous functional grouping of private organizations based on one or more of the following characteristics: having similar purposes or objectives; furthering related interests or conducting related activities; comprising membership or participation of contemporary age levels. A sub-type designation may be applied to more than one type or private organization since the function being performed on the Depot is not limited by the connection or affiliation of the organization(s) comprising the sub-type. For example, the function of community services, as sub-type or private organization, may be carried out through a Type 1 federally-sanctioned private organization (Red Cross), a Type 2 affiliated private organization (PTA), or a Type 3 independent private organization (Thrift Shop). The enclosure provides a listing of the seven authorized classifications of private organizations by sub-type and furnishes examples. The examples are illustrative and not all-inclusive. Classification of each private organization by type and sub-type is a basis for positive identification of all private organizations and is a means of differentiation from NAFI's.

6. Exclusions

a. For the purpose of this Order, certain funds/activities on DoD installations are excluded since they fulfill officially recognized federal government purposes and may not thereby be defined as private in nature. These include, but are not limited to, the following:

- (1) All funds accounted for under U.S. Treasury symbols.
- (2) NAFI's.
- (3) Patient trust funds.
- (4) Vocational training funds.

b. The operation of such informal funds as office coffee funds, flower funds, and similar small informal activities and funds, may be established and operated as determined by the unit commanders.

c. Contractor and subcontractor organizations and funds on DoD installations are excluded.

7. Policy

a. Private organizations are not NAFI's, nor is there an official relationship between their activities and those of DoD personnel who are members and/or participants. They are not held to be an integral part of the military organizations, due to the nature of the functions which they perform. The particular characteristics of these organizations require limited government supervision, as opposed to the extensive supervision exercised over NAFI's. However, their operation is of interest and concern to the DoD because of: their location on the DoD installations; their relationships with elements of both the federal and private sectors; the nature of their activities in support of certain recognized programs being conducted for the benefit of members of the DoD family; and their responsibilities as employees of the U.S. citizens and other personnel.

b. General guidance applicable to all types of private organizations:

(1) A private organization will not normally utilize the name of the DoD installation in its title. The CMC may authorize exceptions if clarity of identification is necessary, provided official sponsorship or endorsement by the Marine Corps is neither stated or implied.

(2) Activities of private organizations will in no way prejudice or discredit the Marine Corps or other agencies of the federal government.

(3) A private organization will not engage in activities which compete with those of any NAFFI on the Depot.

(4) In accordance with the DoD equal opportunity program, discrimination with regard to race, color, marital status, age, creed, national origin, lawful political affiliation, labor organization membership, physical handicap, or sex will not be permitted in employment practices. Applicable laws with respect to labor standards for employment will be observed.

(5) Membership discrimination based on race, color, or national origin will not be permitted. This will not, however, prohibit the establishment of cultural or ethnic private organizations, providing membership is not restricted or discriminatory on the above basis. Private organizations whose memberships are restricted on the basis of religion may be authorized to operate on the Depot provided:

(a) Authorizations are also approved for requests by similar organizations without preference.

(b) Logistical support will be in accordance with paragraph 8 of this Order.

(6) Neither appropriated fund activities nor NAFFI's shall assert any claim to the assets or incur or assume any obligation of any private organization except as may arise out of contractual relationships. Notwithstanding the foregoing, property abandoned by a private organization upon or after its disestablishment, or donated by it to the installation, may be acquired by the Depot in accordance with existing policies and applicable laws.

(7) Adequate insurance, if appropriate, will be secured in order to protect against public liability, property damage, and/or other legal actions that may arise as a result of activities of the organization or one or more of its members acting in its behalf. Since there is no direct, vested interest of the federal government or any of its instrumentalities in the assets of a private organization, the direct protection of organizational assets, such as through fidelity or fire insurance, is the responsibility of each private organization's membership.

(8) Guidance on sources of income to private organizations will be as follows:

(a) Except for minimal logistical support authorized in accordance with paragraph 8 of this Order, private organizations will be generally self-sustaining, primarily through dues, contributions, service charges, fees, or special assessment to members. There will be no direct financial assistance to a private organization from a NAFFI in the form of contributions, dividends, or other donations of monies or other assets, except as specifically authorized by the CMC.

(b) Private organizations will not engage in resale activities except:

(1) Thrift shop sales of used clothing and used merchandise or

(2) Occasional "sales" for fund-raising purposes specifically approved by the Commanding General.

(9) Civilian personnel membership in private organizations of Type 2 and Type 3, as defined in this Order, will be limited to not more than one-third of the total membership strength so as to maintain the private organization as an entity which is

operated on the installation for the primary benefit of military personnel and their dependents.

8. Logistical Support and Services

a. The amount and type of support provided and/or authorized a private organization varies according to the authority under which organized. Type 1 private organizations have federal sanction, provide important services to the DoD family and thereby receive certain support, both reimbursable and nonreimbursable, from the Commanding General. Reference (e) provides guidance concerning credit unions, banking institutions, the American Red Cross, and the USO, including provisions for support to these Type 1 private organizations. Other Type 1 private organizations authorized by Headquarters Marine Corps may be provided similar reimbursable and nonreimbursable support. Type 2 affiliated private organizations, and Type 3, independent private organizations, are provided support as prescribed in the following paragraphs.

b. The nature of the activities conducted by most Type 2 and 3 private organizations should normally require only enough space in which to conduct organizational meetings. If the use of the space, to include government-owned portable equipment in place, utilities, and janitorial supplies, is occasional and only incidental to other uses of the facility, and provided its use will entail no added maintenance expenses, reimbursement is not required. However, if the private organization has exclusive use of the facility or space on a full-time basis, an outgrant document is required in accordance with references (a) and (c), which also govern reimbursements.

c. Private organizations are responsible for furnishing or procuring equipment, supplies, and other materials at their own expense. However, government-owned equipment may be loaned or rented to a private organization physically located on the Depot within the limitations imposed by mission, availability, and statutory authority for such utilization. Neither appropriated nor nonappropriated funds will be used to repair or otherwise restore equipment which has been used on a temporary or loan basis by tenant private organizations. Direct financial assistance to a private organization from a NAFL, in any form, is prohibited.

9. Establishment of Affiliated and Independent Private Organization

a. Prior to establishment of a private organization, a written request will be submitted for approval, delineating the nature, functions, and objectives of the organization. These written provisions will be in the form of a duly prepared constitution, by-laws, articles of agreement, or other authorization documents acceptable to the membership. Documentation will also provide for:

(1) Establishment of local membership eligibility, which will be primarily for members of the DoD family.

(2) Designation of management responsibilities, to include the accountability for assets, satisfaction of liabilities, disposition of any residual assets upon dissolution, and otherwise assuring responsible financial management.

(3) An understanding by all members to whether they are personally liable if the assets are insufficient to discharge all liabilities.

b. In reviewing the above documentation and during periodic review of private organizations, activities that result in a monetary gain to the membership, either individually or collectively, will be carefully considered. Income will not accrue to individual members except through wages and salaries as employees of the private organization or through remuneration for services rendered. Income is to be derived primarily for the purpose of offsetting expenses of operation, which may include competitive awards or charitable contributions contemplated by the organization. The operation of private organizations, such as investment clubs, may be approved provided compliance with all other policy provisions outlined above is required.

c. Bowling leagues operate under the rules of the American Bowling Congress or the Women's International Bowling Congress and will be managed in accordance with

reference (d). Authorized personnel wishing to form bowling leagues and to use the Depot Bowling Center will submit a request to the Commanding General (Attn: Manager, Recreation Branch), including the same information outlined in paragraph 9a above. The Letter of Authority will be issued by the Recreation Branch (Bowling Center Manager). At the end of each season, reports will be reviewed by the Manager, Recreation Branch to determine if all financial obligations have been fulfilled.

d. The discontinuance of a Type 2 or Type 3 private organization may be upon the initiative of the membership or a decision by the Commanding General to withdraw local authorization to operate aboard the Depot.

e. Elected or appointed administrators of each private organization other than Bowling Leagues will provide the Director, Morale, Welfare, and Recreation (MWR) Division with copies of approved constitution and by-laws; all correspondence pertinent to and affecting operations; all records of meetings of the Executive Board/Council; all financial statements; and all reports of audit.

f. Each private organization will designate one of its members to serve in the capacity of Command Representative. The Director, MWR will be provided the name, address, and telephone number of the current and all future holders of this assignment.

10. Audit Responsibilities of Private Organizations

a. It is a Marine Corps policy that the internal audit of private fund activities will be accomplished by members of an Executive Board/Council elected or appointed from the active membership of each activity. This policy is derived from the fact that such private activities are generally organized and operated by "special interest" groups not to be associated with an official capacity or function, have limited/restricted membership, and provide benefits only to a limited membership.

b. Executive Boards/Councils of private activities will appoint from their members an Audit/Inventory Committee to be responsible for the completion of required internal audit functions. This committee will be responsible for a complete inventory of all cash, property, and other assets owned by or on charge to the private activity; audit of accounts and records; and verification of completeness and accuracy of required financial statements. A formal report of audit will be submitted by each Audit/Inventory Committee via the Executive Board/Council to the Commanding General (Attn: Director, MWR). Each report of audit will include, as an enclosure, a balance sheet and a statement of income and expense (covering operations for the period since the previous report). These reports will be submitted on the following occasions:

(1) Relief of Treasurer, Private Organization. As of the close of business on the last day of duty for a relieved treasurer, the Audit/Inventory Committee of each private organization will complete the required internal audit functions.

(2) Semi-Annual. As of close of business, on or about 31 December and 30 June of each year, the Audit/Inventory Committee of each private organization will complete the required internal audit functions.

11. Action

a. Director, MWR Division

(1) Exercise staff cognizance over all private organizations to insure compliance with this Order.

(2) Conduct a periodic review of all authorized private organizations to insure compliance with this Order.

(3) Annually, during September, conduct a review to include, where applicable, a financial statement of all private organizations.

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b. Private Organization Command Representative

(1) Ensure that the Commanding General (Attn: Dir, MWR Division) is made aware of any plans to either radically change or disestablish the organization.

(2) Provide assistance to the Director, MWR Division, when required, during the conduct of the annual review of the organization's operations.

(3) Ensure that all applicable paragraphs of this Order are complied with by the private organization.



R. R. WRIGHT
Chief of Staff

DISTRIBUTION: I

CLASSIFICATION SYSTEM FOR PRIVATE ORGANIZATIONS BY TYPE AND SUB-TYPE

TYPES OF PRIVATE ORGANIZATIONS

Type 1 - Federally-Sanctioned

Type 2 - Affiliated

Type 3 - Independent

SUB-TYPES OF PRIVATE ORGANIZATIONS

- a. Financial Institutions
- b. Community Services, Fraternal, and Benevolent
- c. Sports, Hobbies, and Crafts
- d. Distaff Organizations
- e. Youth Organizations
- f. Professional, Scientific, and Management
- g. Religious Groups

EXAMPLES OF PRIVATE ORGANIZATIONS BY TYPE AND SUB-TYPE

TYPE 1 - Federally-Sanctioned

SUB-TYPES:

Financial Institutions

Banks
Credit Unions

Community Services, Fraternal, and Benevolent

Component Relief/Aid Organization
USO
Red Cross

TYPE 2 - AFFILIATED

SUB- TYPES

Professional, Scientific

Engineering or Scientific
NCO Associations
Nurses
Personnel Management
Financial Management

Community Services, Fraternal and Benevolent

National University
Veteran's Organizations
Labor Unions
Parent-Teacher Association (PTA)
Reserved or Retired Associations
Affiliated Community Service
Ethnic Group Affiliations

Sports, Hobbies, and Crafts

ABC Bowling Leagues
Sports Officials
Affiliated Hobby or Craft
Groups

Youth Organizations

Junior Army Navy Guild Organizations (JANGO)
4H Clubs
Scouting Organizations
Little League

Religious Groups

Altar Societies
Guilds
Catholic Youth Organizations (CYO)

Distaff Organizations

(Only those affiliated)

ENCLOSURE (1)

TYPE 3 - INDEPENDENT

SUB -TYPES

Sports, Hobbies, And Crafts

Model Clubs
Stamp, Coin, Other
Collectors
Theater and Dance
Fish and Game
Women's Golf Leagues
Investment Clubs

Youth Organizations

Contemporary Age Clubs
(Teens, etc.)
Youth Sports/Recreation

Professional, Scientific
and Management

Community Service, Fraternal, and Benevolent

Thrift Shops
School Booster Clubs
Local Ethnic Groups
Child Care Centers
Pre-School and Kindergartens
Social Problem Study Groups

Distaff Organizations

Wives Clubs (May include Thrift Shop
Operation)
National Origin Clubs

Religious Groups

Local, independent, unaffiliated organizations or groups

ENCLOSURE (1)